



100 W. MAIN ST. • SALISBURY, MD 21804

April 10, 2006

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

RE: FRB Docket No. OP-1246; Proposed Interagency Guidance on Concentrations in Commercial Real Estate; 71 Federal Register 2302; January 13, 2006

Dear Ms. Johnson:

My Bank (Shore Bank) takes a very conservative approach to lending, most often securing loans with real estate as opposed to other business assets or unsecured. The above-captioned Guidance discourages our practices. We would be compelled to accept more risky collateral or none at all.

For over 45 years, Shore Bank has served and grown with our local market. I believe these new guidelines would significantly restrict continued growth and is not in the best interests of my Bank or our local economy.

Please consider a modification of this Guidance to (1) define commercial real estate as being limited to non-owner occupied and non-consumer purpose real estate and (2) identify and provide guidance to banks that are classified as problem banks so as not to negatively affect the entire community banking industry for the practices of a few.

Thank you for considering my concerns and feel free to contact me at 410-548-7125 if you would care to discuss this issue further.

Sincerely,

A handwritten signature in black ink, reading 'Craig H. McConnell'.

Craig H. McConnell
President
Maryland Division
Shore Bank